Approved For Release 1555/0509: CIA-RDP82-00457R002500 25X1426 CENTRAL INTELLIGENCE AGENCY REPORT NO.

COUNTRY Costa Rica

DATE DISTR. 7 APR 1949

Possible Understanding between Partido Vanguardia Popular and the Governing Junta of Costa Rica

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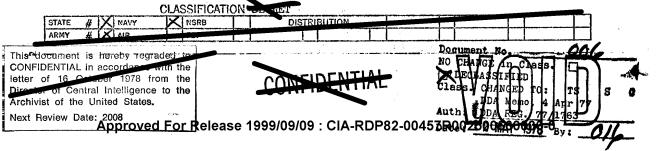
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- 1. The hypothesis that a working agreement exists between the governing junts of Costa Hica and the Vanguardia Popular Party (PVP) has been advanced on the basis of data obtained from Jaime Cerdas Mora and Luis Carballo Corrales, San Jose PVP leaders.
- 2. The Political bureau of the PVP has been urged to meet and declare itself in accord with the policies of the Costa Rican junta as a result of the changed opinions of Manuel Mora, leader of the PVP. Mora now approves of the ten per cent capital tax and the nationalization of the banks. He is also attempting to apply the principles of the New Economic Policy which Lenin introduced and developed.
- 3. The PVP is collaborating secretly with President Figueres. According to source, the satisfection of the Party with all the acts of the junta is being kept secret in order that the United States will not be informed of the sympathy between the two groups.
- 4. The strike in the benama zone was ordered by Mora in order that Padre Benjamin Nunez, Costa Rican Minister of Labor, would have to intervene and grant some concessions to the workers. Mora, Figueres, and Nunez collaborated secretly in this affair.
- 5. The PVP and the governing junta have reached an understanding on the following points:
 - a, Simulated persecution, and at times actual imprisonment, of PVP leaders are not important to the Party. This is only for the benefit of the U.S. State Department.
 - b. The PVP will not intervene in any counter-revolution simed at the overthrow of Figueres.
 - c. Aid will be given to the junta in case of necessity, and it will be immediate in the event of an invasion from Nicaragua.
 - d. The syndicates of the Confederacion de Trabajadores de Costa Rica (GTCR) will be newly organized as soon as possible, perhaps under a different name.



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- e. Aid to the working classes is to be given by means of social legislation, the Labor Code, and new laws.
- f. Repeal of the retirement pension and advance notice of discharge is mutually accepted.
- 6. According to information from Prudencio Sayagues, Assistant Director of the Office of Economic Coordination for Costa Rica, these agreements have been carried out to the letter.

